

Message Text

PAGE 01 BOGOTA 02404 262257 Z

20

ACTION ARA-17

INFO OCT-01 ADP-00 CIAE-00 DODE-00 PM-09 H-02 INR-09 L-03

NSAE-00 NSC-10 PA-03 RSC-01 PRS-01 SS-14 USIA-12

AID-20 SNM-02 BNDD-05 JUSE-00 RSR-01 OMB-01 GAC-01

/112 W

----- 025562

R 262101 Z MAR 73

FM AMEMBASSY BOGOTA

TO SECSTATE WASHDC 6702

INFO USCINCSO CZ

AMCONSUL CALI

AMCONSUL MEDELLIN

LIMITED TOFFICIAL USE BOGOTA 2404

E. O. 11652: N/A

TAGS: PINT, CO

SUBJECT: CLOSURE OF EXTRAORDINARY SESSION OF CONGRESS

USCINCSO FOR POLAD

REF: BOGOTA' S 432 AND 846

1. THE EXTRAORDINARY SESSION OF THE COLOMBIAN CONGRESS THAT BEGAN ON JANUARY 30 ENDED ON MARCH 23. THE FOLLOWING BILLS WERE PASSED DURING THIS SESSION: AGRARIAN REFORM; TAX INCENTIVES, NATIONALIZATION OF THE BANK OF THE REPUBLIC, AGRICULTURAL FUND, ANDEAN PACT, AND ADMINISTRATIVE REFORM. THE FOLLOWING BILLS PASSED THE SENATE AND ARE NOW IN COMMITTEE IN THE CHAMBER: THE QUITA SUENO TREATY WITH THE U. S, A BILL TO INCREASE PENALTIES FOR KIDNAPPING AND OTHER CRIMES, A BILL TO INCREASE PENALTIES FOR DRUG TRAFFICKING AND THE EDUCATION TAX BILL.

2. COMMENT: THE CONGRESS PASSED MORE LEGISLATION OF IMPORTANCE DURING THIS SPECIAL SESSION THAN IN ALL THE SESSIONS OF 1970, 1971 AND 1972 COMBINED. THE CHANGE IN TEMPO AND ACTION IS PROBABLY MOST LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BOGOTA 02404 262257 Z

EASILY EXPLAINED BY THE GREATER UNITY OF THE TRADITIONAL POLITICAL PARTIES AND THE PROGRESSIVE DEFECTIONS FROM ANAPO. THE UNIFICATION

OF THE LIBERAL PARTY UNDER THE LEADERSHIP OF CARLOS LLERAS RESTREPO BROUGHT A GREATER DEGREE OF PURPOSE TO LIBERAL PARTY ACTION IN THE CONGRESS THAN HAS BEEN THE CASE FOR SOME YEARS.

RS

UNLIKELY, OR AT THE VERY LEAST TO SEE THAT THE SALES WILL NOT HARM THE PRICE TOO MUCH? WHEN HE ANNOUNCED THE RELEASE OF A NUMBER OF COMMODITIES IN THE STOCKPILE HE SAID THERE WOULD BE SQUEALS AND COMPLAINTS FROM THOSE WHO PRODUCE AND SELL THESE TYPES OF COMMODITIES. BUT, HE ADDED, THE GOVERNMENT DOES NOT NEED ALL OF THE STOCKPILES, AND HE HAD TO TAKE 'EVERY ACTION TO DRIVE DOWN PRICES'. THIS DOES NOT AUGER WELL FOR TIN BUT CAN EVEN THE MOST POWERFUL NATION IN THE WORLD TURN ITS BACK ON THE UNDERDEVELOPED COUNTRIES? INDEED THE ECONOMIES OF BOLIVIA, INDONESIA, THAILAND, AND MALAYSIA WOULD BE SHATTERED IF THE UNITED STATES RELEASED THE METAL WILLY NILLY.

" IT IS UNBELIEVABLE THAT AMERICA WOULD THROW ALL THE GOODWILL IT HAS BUILT UP OVER MANY YEARS TO THE WINDS JUST TO RID ITSELF OF SOME UNWANTED MATERIAL. IT JUST DOES NOT MAKE SENSE IN SPITE OF THE INFLATION PROBLEM FACING THE UNITED STATES.

" CERTAINLY THE LONDON METAL EXCHANGE HAS TAKEN A FAR MORE OPTIMISTIC VIEW OF THE SITUATION SINCE THE PRICE DROPPED 28 POUNDS A TON FOLLOWING THE STOCKPILE NEWS. BY FRIDAY THE CASH PRICE WAS 1,739 POUNDS OR THE SAME AS THAT RULING PRIOR TO PRESIDENT NIXON'S STATEMENT.

" A MAJOR PROBLEM THE LTC IS CONFRONTED WITH IS EXPORT CONTROLS. FOR THE PERIOD JANUARY 19 TO MARCH 31 EXPORTS HAVE BEEN KEPT TO THE MAXIMUM OF 35,040 TONS, WHICH IS THE SAME RATE AS THAT IN THE SAME PERIOD OF 1972.

" THE ITC WILL REVIEW THE EFFECTIVENESS OF THE CONTROLS AND DECIDE WHETHER TO EXTEND THE STANDSTILL ARRANGEMENT OR APPLY FURTHER, AND MORE STRINGENT, MEASURES.

" THIS IS BY NO MEANS A HAPPY DECISION TO MAKE. MAINTAINING EXPORTS AT THE 1972 LEVEL HAS DONE LITTLE, IF ANYTHING, TO PUSH THE PRICE UP OR TO HELP THE BUFFER STOCK MANAGER TO DISPOSE OF SOME OF HIS HUGE HOLDINGS WHICH ARE AROUND 12,500 TONS.

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 LONDON 03625 01 OF 02 271925 Z

" AS INFORMED SOURCES TOLD REUTERS THESE TWO FACTORS, COUPLED WITH THE POSSIBILITY OF UNITED STATES RELEASES, MIGHT FORCE THE COUNCIL TO CONSIDER AN ACTUAL EXPORT REDUCTION IN THE SECOND QUARTER.

" BUT BEFORE THE ITC CAN APPLY MORE EFFECTIVE MEASURES TO RAISE PRICES, IT WILL HAVE TO RESOLVE THE

PROBLEM OF HOW CONTROLS ARE COMPUTED AND IMPLEMENTED.
THIS SITUATION SPLIT THE PRODUCERS AT THE LAST ITC
MEETING IN JANUARY.

" AT THAT TIME AUSTRALIA MADE ITS COOPERATION ON CON-
TROLS CONDITIONAL ON THE ITC REVISING ANNEX " G" OF THE
INTERNATIONAL TIN AGREEMENT, WHICH SETS OUT 15 RULES FOR
DETERMINING EXPORT REDUCTIONS. THESE ARE EXPRESSED AS
A PERCENTAGE OF PRODUCTION SPREAD OVER A PERIOD OF UP
TO 36 CALENDAR MONTHS.

ANNENBERG

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 02 APR 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 26 MAR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973BOGOTA02404
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: n/a
From: BOGOTA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730346/abqcdwzt.tel
Line Count: 122
Locator: TEXT ON-LINE
Office: n/a
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 26 NOV 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26-Nov-2001 by elbezefj>; APPROVED <07 FEB 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CLOSURE OF EXTRAORDINARY SESSION OF CONGRESS
TAGS: PINT, CO
To: STATE INFO USCINCSO CZ
CALI
MEDELLIN
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005